

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.F
Mtg. Date May 15, 2018
Dept. Public Works

Item Title: Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17)

Staff Contact: Mike James, Assistant City Manager/Public Works Director

Recommendation:

Adopt a resolution (**Attachment B**) awarding a contract for the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17).

Item Summary:

In support of the City's Five-Year Capital Improvement Program, the City invited sealed bids for the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17) in April 2018.

On April 26, 2018, the City received ten sealed bids. Staff determined that of the bids received, SRM Contracting & Paving was the lowest responsive and responsible bidder with a base bid of \$384,131.00.

Staff recommends awarding a contract (Contract No. 2018-17) to SRM Contracting & Paving and establishing a project budget not to exceed \$628,610.00.

Fiscal Impact:

TransNet funds were budgeted for this project as part of the Five-Year Capital Improvement Program.

Environmental Review:

☒ Not subject to review

☐ Negative Declaration

☐ Categorical Exemption, Section 15304

☐ Mitigated Negative Declaration

Public Information:

☒ None

☐ Newsletter article

☐ Notice to property owners within 300 ft.

☐ Notice published in local newspaper

☐ Neighborhood meeting

Attachments:

A. Staff Report

B. Resolution

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.F

Mtg. Date May 15, 2018

Item Title: **Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17)**

Staff Contact: Mike James, Assistant City Manager/Public Works Director

Discussion:

In April 2018, the City advertised on PlanetBids and invited sealed bids for the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17) to apply various street treatments at the following locations throughout the City.

Location Table		
Street	From	To
Dayton Drive	Englewood Drive	Nichals Street
Barton Drive	Ensenada Street	Englewood Drive
Palm Street	Skyline Drive	Golden Avenue
Lemon Grove Avenue	Palm Street	Southern City Limits
Buena Vista Avenue	San Miguel Avenue	Broadway

In addition to the base bid schedule, staff has added two additional alternative (Add Alts) bid items in the bid package. The two locations are Larwood Road between Woodrow Avenue and the Southern City Limits, and El Prado Street between Mt. Vernon Street and Bonita Street.

On April 26, 2018, the City received the ten sealed bids. Each company is listed below with its location and project bid total.

Bidder's Name	Location	Amount	Add Alt #1	Add Alt #2	Total
Kirk Paving, Inc.	Lakeside, CA	\$376,130.28	\$68,277.80	\$73,083.72	\$517,491.81
SRM Contracting & Paving	San Diego, CA	\$384,131.00	\$78,862.68	\$83,623.32	\$546,617.00
PAL General Engineering	San Diego, CA	\$412,594.12	\$77,982.56	\$78,321.04	\$568,897.72
Eagle Paving	Poway, CA	\$414,500.00	\$70,517.97	\$73,948.53	\$558,966.50
Seal Right Paving	Spring Valley, CA	\$439,966.57	\$78,128.64	\$77,229.44	\$595,324.65

Attachment A

LC Paving	San Marcos, CA	\$445,427.90	\$84,326.28	\$88,944.76	\$618,698.94
Hazard Construction	San Diego, CA	\$459,398.66	\$98,984.00	\$104,479.40	\$662,862.06
Frank & Sons Paving, Inc.	Bonita, CA	\$465,850.72	\$67,941.72	\$69,961.52	\$603,753.96
Ramona Paving & Construction Corp.	Ramona, CA	\$535,057.00	\$95,688.60	\$90,617.40	\$721,363.00
RAP Engineering	San Marcos, CA	\$583,994.99	\$102,636.60	\$107,239.40	\$793,870.99
Average Bid Amount		\$451,705.12			

The table is sorted from lowest to highest bidder. Based upon the State Public Contract Code, Kirk Paving, Inc. was disqualified because not all of the subconsultants were listed in the bid package. The project's cost estimate for the base bid was \$427,312.00. The lowest responsive and responsible bid was submitted by SRM Contracting & Paving in the amount of \$384,131.00. SRM Contracting & Paving remained the lowest responsive and responsible bidder when the base bid and additive alternates were combined with a total bid of \$546,617.00.

Staff reviewed SRM Contracting & Paving's project work history, references, and construction license. Its project work history and reference checks were positive. SRM Contracting & Paving has successfully performed similar work for other local governments. SRM Contracting & Paving's Contractor's license is current and in good standing with the State of California.

Therefore, staff concluded that SRM Contracting & Paving is both a responsive and responsible bidder, and recommends the award of this contract (**Attachment B – Exhibit 1**). Based on the project scope of work, staff recommends the following project budget:

Description	Amount
Construction Costs	\$384,131.00
Add Alt #1	\$78,862.68
Add Alt #2	\$83,623.32
Total Construction Cost	\$546,617.00
Contingency (15%)	\$81,993.00
Total	\$628,610.00

It is important to note that the project budget does not include material testing or inspection services that historically have been included in prior public works construction projects. Due to

Attachment A

the relatively smaller scope of work and simplistic, routine roadway construction work, project staff will manage all material testing and inspection services in-house.

Conclusion:

Staff recommends that the City Council adopts a resolution (**Attachment B**) awarding the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17) to SRM Contracting & Paving and establish a project budget not to exceed \$628,610.00.

Attachment B

RESOLUTION NO. 2018 - _____

RESOLUTION OF THE LEMON GROVE CITY COUNCIL AWARDING A CONTRACT FOR THE FISCAL YEAR 2017-2018 CIP STREET REHABILITATION PROJECT (CONTRACT NO. 2018-17)

WHEREAS, the City of Lemon Grove's Five-Year Capital Improvement Program earmarks funding for the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17); and

WHEREAS, bids were solicited and ten (10) sealed bids were received for the Fiscal Year 2017-2018 CIP Street Rehabilitation Project (Contract No. 2018-17); and

WHEREAS, bids were opened and read aloud, and the lowest responsive and responsible bidder was SRM Contracting & Paving; and

WHEREAS, the City Council finds it in the public interest that a contract for said services be awarded.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Awards a contract to SRM Contracting & Paving in the amount of \$546,617.00 and establishes a project budget not to exceed \$628,610.00, and
2. Authorizes the City Manager or designee to execute said contract (**Exhibit 1**).

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Attachment B – Exhibit 1

CONTRACT (Page 1 of 4)

FY 2017-18 Street Rehabilitation Project (CONTRACT #2018-17)

THIS CONTRACT, made and entered into on the date of the last signature, by and between the City of Lemon Grove, California, herein after designated as the "City", and Superior Ready Mix Concrete, LP dba SRM Contracting and Paving hereinafter designated as the "Contractor".

WITNESSETH: that the parties hereto do mutually agree as follows:

1. For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the City, the Contractor agrees with the City to furnish all materials and labor for the FY 2017-18 Street Rehabilitation Project (CONTRACT #2018-17) and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the plans and specifications therefore; to furnish at his own proper cost and expense all tools, equipment, labor and materials necessary therefore; and to do everything required by this agreement and the said plans and specifications.
2. For furnishing all said materials and labor, tools and equipment, and doing all the work contemplated and embraced in this Contract, also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the work until its acceptance by the City and for all risks of every description connected with the work; also, for all expenses incurred by or in consequence of the suspension or discontinuance of work, except such as in said specifications are expressly stipulated to be borne by the City and for well and faithfully completing the work and the whole thereof, in the manner shown and described in the said plans and specifications, the City will pay and the Contractor shall receive in full compensation therefore the sum of five hundred forty-six thousand, six hundred seventeen dollars and zero cents (\$546,617.00)
3. The City hereby promises and agrees to employ, and does hereby employ said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the price aforesaid and hereby conditions set forth in the specification; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.
4. The Notice Inviting Bids, Instructions To Bidders, Bid Forms, Agreement and Bond Forms, Construction Administration Forms, Completion of the Project Forms, General Requirements and General Conditions, Drawings, Plans and Specifications, Addenda, Allowances, and all amendments thereof, are hereby incorporated in and made part of this Contract.

Attachment B - Exhibit 1

CONTRACT (Page 2 of 4)

FY 2017-18 Street Rehabilitation Project (CONTRACT #2018-17)

5. The City, the City's representative, City Consultants and authorized volunteers shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work, or for injury or damage to any person or persons, either workers, employees of Contractor or its subcontractors or the public, or for damage to adjoining or other property, from any cause whatsoever arising out of or in connection with the performance of the work. The Contractor shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever arising out of or in connection with the performance of the work, provided, however, that the Contractor shall not be liable for the sole established negligence, willful misconduct or active negligence of the City, its representatives, employees, agents and authorized volunteers who are directly responsible to the City.
 - a. Contractor shall indemnify the City, City Council, City officials, City employees, City representatives, and authorized volunteers against and will hold and save them and each of them harmless from any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with the work, operation or activities of Contractor, its agents, employees, subcontractors or invitees, provided for herein, whether or not there is concurrent passive or active negligence on the part of the City, City Council, City officials, City employees, City representatives, and authorized volunteers, but excluding such actions, claims, damages to persons or property penalties, obligations or liabilities arising from the sole established negligence, willful misconduct or active negligence of the City, City Council, City officials, City employees, City representatives, authorized volunteers, or those who are directly responsible to them; and in connection therewith:
 - I) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorney's fees incurred in connection therewith.
 - II) Contractor will promptly pay any judgment rendered against Contractor, the City, City Council, City officials, City employees, City representatives, and authorized volunteers covering such claims, damages, penalties, obligations and liabilities arising out of or in connection with such work, operations, or activities of Contractor hereunder and Contractor agrees to save and hold the City, City Council, City officials, City employees, City representatives, and authorized volunteers harmless there from.

Attachment B – Exhibit 1

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FY 2017-18 Street Rehabilitation Project (CONTRACT #2018-17)

- III) In the event the City, City Council, City officials, City employees, City representatives, and authorized volunteers are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the Work, or operation or activities of Contractor hereunder, Contractor agrees to pay to the City, City Council, City officials, City employees, City representatives, and authorized volunteers any and all costs and expenses incurred by the City, City Council, City officials, City employees, City representatives, and authorized volunteers in such action or proceeding together with reasonable attorney's fees.
 - IV) The City may retain, to the extent it deems necessary, the money due to the Contractor under and by virtue of the Contract Documents until disposition has been made of such actions or claims for damages as specified herein above.
6. Claims, disputes and other matters in question between the parties to this Contract, arising out of or relating to this Contract or the breach thereof, may be decided by arbitration if both parties to this Contract consent in accordance with the rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration arising out of or relating to this Contract, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Contract except by written consent containing a specific reference to this Contract and signed by CONTRACTOR, CITY, and any other person sought to be joined. (Any Consent to arbitration involving an additional person or persons shall not constitute consent of any dispute not described therein or with any person not named or described therein.) This agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Contract shall be specifically enforceable under the prevailing arbitration law.
- Notice of the demand for arbitration is to be filed in writing with the other party to this Contract and with the American Arbitration Association. The demand is to be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event is the demand for arbitration to be made after the date when institution of legal or equitable proceedings based on such claim; dispute or other matter in question would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.
7. The Contractor agrees to comply with all Local, State and Federal regulations and with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended.
8. If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorney's fees.

Attachment B - Exhibit 1

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FY 2017-18 Street Rehabilitation Project (CONTRACT #2018-17)

9. Each and every provision of law and clause required to be inserted in this Contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not inserted correctly, then upon application of either party the Contract shall forthwith be physically amended to make such insertion or correction.
10. In accordance with Government Code, Section 8546.7, records of both the City and the Contractor shall be subject to examination and audit for a period of three (3) years after final payment.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in three counterparts, each of which shall be deemed an original the day and year first above written.

CONTRACTOR:

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Federal ID Number: _____

CITY:

By: _____

Title: City Manager, City of Lemon Grove

Date: _____

ATTEST:

By: _____

Title: City Clerk, City of Lemon Grove

(Notaries acknowledgement of execution by all PRINCIPALS OF CONTRACTOR shall be attached.)